

Canadian Bronze Company, Limited

Montreal, Canada



Annual Report
1934

PURVIS HALL
LIBRARIES

JAN 2 1946

McGILL UNIVERSITY

CANADIAN BRONZE COMPANY,
LIMITED

and Wholly Owned Subsidiary Companies

MONTREAL BRONZE, LIMITED

NORTHWESTERN BRASS, LIMITED

ST. THOMAS BRONZE CO., LIMITED

DIAMOND BRONZE COMPANY, INC.

WINNIPEG BRASS LIMITED

NATIONAL BRONZE COMPANY, LIMITED

CANADIAN BRONZE COMPANY, LIMITED

DIRECTORS

SIR CHARLES B. GORDON, G.B.E.	SIR HERBERT S. HOLT
ALBERT E. DYMENT	ERNEST R. DECARY
ROSS H. McMASTER	JOSEPH A. KILPATRICK
RICHARD O. JOHNSON	H. CARSON FLOOD
WILLIAM L. BAYER	



OFFICERS

W. L. BAYER, <i>President and Managing Director.</i>
R. J. KING, <i>Treasurer.</i>
W. C. PAQUETTE, <i>Secretary.</i>
F. C. COLE, <i>Assistant Secretary.</i>

Solicitors

WAINRIGHT, ELDER & McDUGALL



Executive Offices

999 DELORIMIER AVENUE MONTREAL



CANADIAN BRONZE COMPANY, LIMITED

TO THE SHAREHOLDERS:

Your Directors take pleasure in submitting the Income Account and Balance Sheet showing the results of the past year's business and the financial position of your Company as of December 31st, 1934.

After depreciation, taxes, provision for preferred stock sinking fund and regular dividends at the rate of \$7.00 per share on your preferred stock and 60 cents per share on your common stock, a balance of \$33,013.42 was carried to Earned Surplus Account, as compared with \$6,036.71 in 1933.

As of November 1st, 1934, your Company purchased from The Robert Mitchell Company, Limited, the business of the National Bronze Company, Limited, a company furnishing bronze and brass castings and bearings similar to those manufactured by your Company. Through increased volume of sales and economies from the combined operation, this acquisition promises to be of advantage to your Company.

Owing to the strong liquid position which your Company has consistently maintained, no new financing was required in connection with the foregoing transaction. As of December 31st, 1934, your Company had marketable securities of a book value of \$217,279.77 (with an approximate market value of \$247,976.00), these securities representing capital not ordinarily required in the course of the Company's business. Advantage was taken of this fund to secure a bank loan amounting to \$120,000.00 at the end of the year, but since reduced to \$70,000.00 through the sale of certain securities. The balance of the loan may be paid off either through further sales of securities or through earnings, or both. Ample working capital is at the disposal of your Company for the carrying on of its business.

In order to adjust the assets of your wholly owned subsidiaries to conform with an appraisal made by the Canadian Appraisal Company, as of April, 1934, and October, 1934, an amount of \$46,643.14 has been charged to General Surplus, which now stands at \$455,131.36.

Your plants have been well maintained during the year and the facilities are more than ample to take care of the entire bronze bearing business in Canada.

In order to maintain its position as the foremost manufacturer in Canada of bronze bearing metals, your Company has established a Research and Technical Control Department and a Service Department. The former is designed to maintain the quality of your products at the highest possible level; the latter to increase the already excellent facilities for co-operating with customers and meeting new requirements as they arise.

Your Directors again wish to express their appreciation of the efficient work and loyal co-operation of the employees.

On behalf of the Board of Directors,

W. L. BAYER, *President.*

CANADIAN BRONZE

AND WHOLLY OWNED

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on hand and in banks	40,625.00	
Accounts Receivable less Reserve for Doubtful Accounts.....	119,283.57	
Inventories of Raw Material, Goods in Process, and Finished Stock.....	398,374.57	
Less—Inventory of Raw Material held for Customers' Account..	30,385.50	
Quantities determined by actual count or weight, and priced at the lower of Cost or Market...	367,989.07	527,897.64

INVESTMENTS:

In Marketable Securities.....	386,007.44	
Less—Reserve.....	168,727.67	
(Approximate Market Value—\$247,976.00)	217,279.77	
Interest accrued to date.....	1,920.00	219,199.77

DEFERRED CHARGES TO OPERATIONS.....	830.00
-------------------------------------	--------

FIXED ASSETS:

Real Estate, Buildings, Machinery and Tools, Plant, Patterns, Office Furniture and Fixtures. Valued on the basis of appraisals made on 30th April 1934 and 13th October 1934, by the Can- adian Appraisal Company, Limited, with subsequent additions since the dates of these appraisals at Cost.....	1,349,068.13	
Less—Reserve for Depreciation.....	491,703.71	857,364.42

CONTRACTS, RIGHTS, PATENTS AND GOODWILL:	1.00
--	------

\$1,605,292.83

AUDITOR'S REPORT

TO THE SHAREHOLDERS,

CANADIAN BRONZE COMPANY, LIMITED, MONTREAL.

We have audited the books and accounts of Canadian Bronze Company, Limited, and its Wholly Owned Subsidiary Companies for the year ended 31st December 1934, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

(Signed) CLARKSON, McDONALD, CURRIE & CO.,

Chartered Accountants.

MONTREAL, 24th January 1935.

COMPANY, LIMITED

SUBSIDIARY COMPANIES

as at 31st December 1934

LIABILITIES

CURRENT LIABILITIES:

Bank Loan (Secured).....	120,000.00	
Accounts Payable.....	40,341.89	
Dividends Payable 1st February 1935—		
On Preferred Shares in hands of		
Public.....	12,600.00	
On Common Shares.....	12,000.00	24,600.00
Federal and Provincial Income Taxes.....	29,966.66	
Sales Tax.....	4,775.28	219,683.83

INSURANCE RESERVE	13,082.40
-------------------------	-----------

7% CUMULATIVE REDEEMABLE SINKING FUND PREFERRED STOCK:

Authorized—		
15,000 Shares of \$100.00 Par Value <u>\$1,500,000.00</u>		
Issued and Paid-up—		
12,500 Shares.....	1,250,000.00	
5,300 Shares purchased for Redemption and		
Cancellation.....	530,000.00	
7,200 Shares—in hands of Public.....		720,000.00

COMMON STOCK AND EARNED SURPLUS:

Common Stock—without nominal or par value:		
Authorized—100,000 Shares		
Issued and Paid-up—		
80,000 Shares.....	197,395.24	
Earned Surplus—as per attached Statement.....	455,131.36	652,526.60

\$1,605,292.83

Approved on Behalf of the Board:

C. B. GORDON }
W. L. BAYER } *Directors.*

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES



*Consolidated Statement of Profit and Loss
for the year ended 31st December 1934*

OPERATING PROFITS—

transferred from Subsidiary Companies, after provid- ing for Depreciation and 1934 Federal and Provin- cial Income Taxes and Directors' Fees	124,924.64
--	------------

NET REVENUE—

from Investments, Interest and Rentals	15,490.27
--	-----------

NET PROFITS—for the Year	140,414.91
------------------------------------	------------

*Deduct—Preferred Dividends on Shares in
Hands of Public:*

Paid and Payable	50,400.00
----------------------------	-----------

<i>Provision for Sinking Fund for redemption of Preferred Shares</i>	9,001.49
--	----------

<i>Common Dividends: Paid and Payable</i>	48,000.00	107,401.49
---	-----------	------------

BALANCE OF PROFITS—for the Year transferred to Consolidated Statement of Earned Surplus	\$ 33,013.42
--	--------------

NOTE—The following amounts have been charged
before determining the Operating Profits for the year—

Provision for Depreciation of Fixed Assets	\$ 29,860.00
Provision for Federal and Provincial Income Taxes	29,000.00
Directors' Fees	2,374.00

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES



*Consolidated Statement of Earned Surplus
for the year ended 31st December 1934*

GENERAL SURPLUS:

BALANCE AT CREDIT as at 31st December 1933	325,374.24	
Deduct—Amount necessary to adjust the book values of the Fixed Assets of all the Subsidiary Companies to their appraisal values	46,643.14	
		278,731.10
Add—BALANCE OF PROFITS for the year	33,013.42	
BALANCE AT CREDIT as at 31st December 1934		311,744.52

OTHER SURPLUS:

Provided out of Profits for Sinking Fund, an equivalent amount having been applied in purchases of Preferred Stock prior to 31st December 1930—		
BALANCE as at 31st December 1933	134,385.35	
Add—Amount provided in respect of the year ended 31st December 1934	9,001.49	143,386.84

BALANCE AS AT 31st DECEMBER 1934 as per Consolidated Balance Sheet		
		\$455,131.36

CANADIAN BRONZE COMPANY,
LIMITED

Works located at
MONTREAL, QUEBEC
ST. THOMAS, ONTARIO
WINNIPEG, MANITOBA
CALGARY, ALBERTA
LYNDONVILLE, VERMONT



Transfer Agents:
THE ROYAL TRUST COMPANY
MONTREAL and TORONTO



Registrars:
THE TORONTO GENERAL TRUSTS CORPORATION
MONTREAL and TORONTO

